



## **COUNCIL CHAMBERS**

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

<b>COUNCIL MEMBERS</b>	<b>REDEVELOPMENT AGENCY</b>
Steve Tate, Mayor	Steve Tate, Chair
Larry Carr, Mayor Pro Tempore	Larry Carr, Vice-Chair
Mark Grzan, Council Member	Mark Grzan, Agency Member
Marby Lee, Council Member	Marby Lee, Agency Member
Greg Sellers, Council Member	Greg Sellers, Agency Member

**WEDNESDAY, APRIL 4, 2007**

**AGENDA**

**JOINT MEETING**

**CITY COUNCIL REGULAR MEETING**

**and**

**REDEVELOPMENT AGENCY REGULAR MEETING**

**7:00 P.M.**

**CALL TO ORDER**

(Mayor/Chairperson Tate)

**ROLL CALL ATTENDANCE**

(City Clerk/Agency Secretary Torrez)

**DECLARATION OF POSTING OF AGENDA**

**Per Government Code 54954.2**

(City Clerk/Agency Secretary Torrez)

**SILENT INVOCATION**

**PLEDGE OF ALLEGIANCE**

**INTRODUCTIONS**

Troy Hoefling – Sergeant  
Bill Norman – Corporal  
Shane Palsgrove – Sergeant  
Mindy Zen – Corporal  
*Chief Cumming*

Sergio Marquez – Groundskeeper  
Ismael Montes – Parks Maintenance Worker I  
Juan Zamora – Parks Maintenance Worker II  
*Deputy Director Struve*

**PROCLAMATIONS**

National Telecommunicators Week  
*Chief Cumming*

Idalia Echegoyen – 2006 Dispatcher of the Year  
*Chief Cumming*

**RECOGNITIONS**

**CITY COUNCIL REPORTS**

Mayor Tate

**CITY COUNCIL COMMITTEE REPORTS**

**CITY MANAGER'S REPORT**

**CITY ATTORNEY'S REPORT**

**OTHER REPORTS**

**PUBLIC COMMENT**

**NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME  
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND  
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE  
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY  
COUNCIL/REDEVELOPMENT AGENCY.**

## City Council and Redevelopment Agency Action

### ADOPTION OF AGENDA

## City Council Action

### CONSENT CALENDAR:

**ITEMS 1-8** The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

#### Time Estimate

#### Page

Consent Calendar: 1 - 10 Minutes

1. **AWARD CONTRACT FOR CONSTRUCTION OF OUTDOOR SPORTS CENTER AND APPROVE/AMEND CONSULTANT AGREEMENTS FOR PROFESSIONAL SERVICES**..... 1  
**Recommended Action(s):**  
  1. **Approve** Project Plans and Specifications;
  2. **Award** Construction Contract to Interstate Grading and Paving, Inc. in the Amount of \$5,987,000;
  3. **Authorize** Contingency Funds Totalling \$2,251,548 for this Project; and
  4. **Authorize** the City Manager to Execute Various Consultant Agreements and Amendments for Professional Services During Construction per Memos; Subject to Review and Approval by the City Attorney.
2. **OUTDOOR SPORTS CENTER RENTAL RATES**..... 7  
**Recommended Action(s):** **Approve** the Proposed Outdoor Sports Center Rental Rates Effective October 1, 2007, Through December 31, 2008.
3. **APPROPRIATE FUNDS FOR SUBSEQUENT REIMBURSEMENT AGREEMENT WITH LATALA FAMILY LP FOR LANDS OF LATALA** ..... 11  
**Recommended Action(s):** **Recognize** Additional Revenues and **Approve** the Appropriation of Funds for the Subsequent Reimbursement Agreement with Latala Family LP for Lands of Latala as Follows: 1) \$20,314.73 Increase 650-5710-37664 (Water Fund); 2) \$20,314.73 Increase 650-5710-42999 (Water Fund); 3) \$13,800.13 Increase 640-5900-37663 (Sewer Fund); and 4) \$13,800.13 Increase 640-5900-42999 (Sewer Fund).
4. **RESOLUTION APPROVING A RISK MANAGEMENT PROGRAM**..... 27  
**Recommended Action(s):** **Adopt** the Resolution Approving a Risk Management Program.
5. **FINAL MAP APPROVAL FOR MALLORCA (TRACT 9803)**..... 31  
**Recommended Action(s):**  
  1. **Approve** the Final Map, Subdivision Agreement, and Improvement Plans;
  2. **Authorize** the City Manager to Sign a Subdivision Improvement Agreement on Behalf of the City; Subject to Review and Approval by the City Attorney; and
  3. **Authorize** the Recordation of the Final Map and the Subdivision Improvement Agreement Following Recordation of the Development Improvement Agreement.

	<b>Time Estimate</b>	<b>Page</b>
	<b>Consent Calendar: 1 - 10 Minutes</b>	
6.	<b><u>COUNCIL RESOLUTION SUPPORTING GRANT FUNDING FOR BUTTERFIELD BOULEVARD EXTENSION</u></b> .....	35
	<b><u>Recommended Action(s):</u></b> <u>Adopt</u> Resolution Supporting the Application for Grant Funds for the Extension of Butterfield Boulevard, Between Tennant Avenue and Watsonville Road.	
7.	<b><u>ADOPT ORDINANCE NO. 1821, NEW SERIES</u></b> .....	39
	<b><u>Recommended Action(s):</u></b> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1821, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: <b>AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING THE ZONING DESIGNATION FROM PUD (HC) (PLANNED UNIT DEVELOPMENT-HIGHWAY COMMERCIAL) TO HC (HIGHWAY COMMERCIAL) ON A 0.66-ACRE PARCEL (APN 726-43-004) ADJACENT TO AND SOUTHWESTERLY OF THE WALNUT GROVE DRIVE/LAUREL ROAD INTERSECTION (APPLICATION NO. ZA-06-06: LAUREL – JIFFY LUBE).</b>	
8.	<b><u>ADOPT ORDINANCE NO. 1822, NEW SERIES</u></b> .....	45
	<b><u>Recommended Action(s):</u></b> <u>Waive</u> the Reading, and <u>Adopt</u> Ordinance No. 1822, New Series, and <u>Declare</u> That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: <b>AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING CHAPTER 18.76 (SIGN CODE) BY MODIFYING THE ELIGIBILITY REQUIREMENTS FOR FREEWAY SIGNS AND ESTABLISHING A PROCESS TO ALLOW AN OFF-SITE BUSINESS TO BE LOCATED ON A FREESTANDING MONUMENT SIGN (ZA 07-03: CITY OF MORGAN HILL – OFF-SITE SIGNS).</b>	

## *City Council and Redevelopment Agency Action*

### CONSENT CALENDAR:

#### ITEM 9

	<b>Time Estimate</b>	<b>Page</b>
	<b>Consent Calendar: 1 - 10 Minutes</b>	
9.	<b><u>APPROVE REGULAR CITY COUNCIL AND REDEVELOPMENT AGENCY MEETING MINUTES OF MARCH 21, 2007</u></b> .....	55

## *City Council Action*

### PUBLIC HEARINGS:

	<b>Time Estimate</b>	<b>Page</b>
10.	<b>10 Minutes</b>	
	<b><u>ZONING AMENDMENT, ZA-07-04: CITY OF MORGAN HILL – DOWNTOWN PARKING EXEMPTION</u></b> .....	85
	Public Hearing Opened.	
	Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
	Council Discussion.	
	Action- <b><u>Motion to Waive</u></b> the Reading in Full of Ordinance.	
	Action- <b><u>Motion to Introduce</u></b> Ordinance by Title Only. (Roll Call Vote)	

## City Council Action

### OTHER BUSINESS:

	Time Estimate		Page
11.	20 Minutes	<b><u>SANTA CLARA COUNTY LIBRARY'S MOVING PLAN FOR THE MORGAN HILL LIBRARY</u></b> .....	93
		<b><u>Recommended Action(s):</u></b> <u>Receive</u> and <u>File</u> the Report by the Santa Clara County Library Regarding Moving Plans into the New Morgan Hill Library Building.	

## City Council and Redevelopment Agency Action

### OTHER BUSINESS:

	Time Estimate		Page
12.	15 Minutes	<b><u>FRIENDLY INN AND EL TORO YOUTH CENTER BUILDING POLICY STATEMENTS</u></b> .....	103
		<b><u>Recommended Action(s):</u></b>	
		1. <u>Adopt</u> the Recommended Policy Statements for the Friendly Inn and El Toro Youth Center Building;	
		2. <u>Direct</u> the City Manager to Meet with Community Solutions and Discuss Sustainable Budget Strategies for the El Toro Youth Center;	
		3. <u>Direct</u> the City Manager to Solicit Potential Tenants According to the Recommended Eligibility Criteria; and	
		4. <u>Direct</u> the City Manager to Recommend a Final List of Tenants for City Council Consideration by July 2007.	

## Redevelopment Agency Action

### OTHER BUSINESS:

	Time Estimate		Page
13.	15 Minutes	<b><u>LOAN REQUEST FROM EL TORO BREWING</u></b> .....	107
		<b><u>Recommended Action(s):</u></b> <u>Consider</u> Request for Financing from El Toro Brewing Company and, if Approved, <u>Direct</u> the Executive Director to Prepare and Negotiate an Agreement with El Toro and Return to the Agency for the Approval of the Agreement; Subject to Review and Approval by the Agency Counsel.	

## City Council Action

### OTHER BUSINESS:

	Time Estimate		Page
14.	10 Minutes	<b><u>REVIEW OF COUNCIL POLICY, CP-06-02: CITY COUNCIL &amp; REDEVELOPMENT AGENCY MEETING SCHEDULE</u></b> .....	115
		<b><u>Recommended Action(s):</u></b>	
		1. <u>Review</u> the Adopted City Council – Redevelopment Agency Policy; and	
		2. <u>Direct</u> Staff Regarding any Recommended Changes.	

**OTHER BUSINESS:**

	<b>Time Estimate</b>		<b>Page</b>
15.	10 Minutes	<b><u>ENDORSEMENT OF SENATE BILL (SB) 840, UNIVERSAL HEALTH INSURANCE</u></b> .....	119
		<b><u>Recommended Action(s):</u></b> Council Member Grzan Recommends that the City Council <b><u>Adopt</u></b> a Resolution Expressing Support for Senate Bill (SB) 840, the California Health Insurance Bill and Urging the State Legislature and the Governor to Support SB 840.	

**FUTURE COUNCIL AGENCY-INITIATED AGENDA ITEMS:**

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

## ***City Council Action***

**CLOSED SESSION:**

**1.**

**CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Authority: Government Code Sections 54956.9(b) & (c)  
Number of Potential Cases: 1

**OPPORTUNITY FOR PUBLIC COMMENT**

**ADJOURN TO CLOSED SESSION**

**RECONVENE**

**CLOSED SESSION ANNOUNCEMENT**

**ADJOURNMENT**

**PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA**

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

**PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA**

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

**NOTICE**

**AMERICANS WITH DISABILITIES ACT (ADA)**

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

**NOTICE**

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

**NOTICE**

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.